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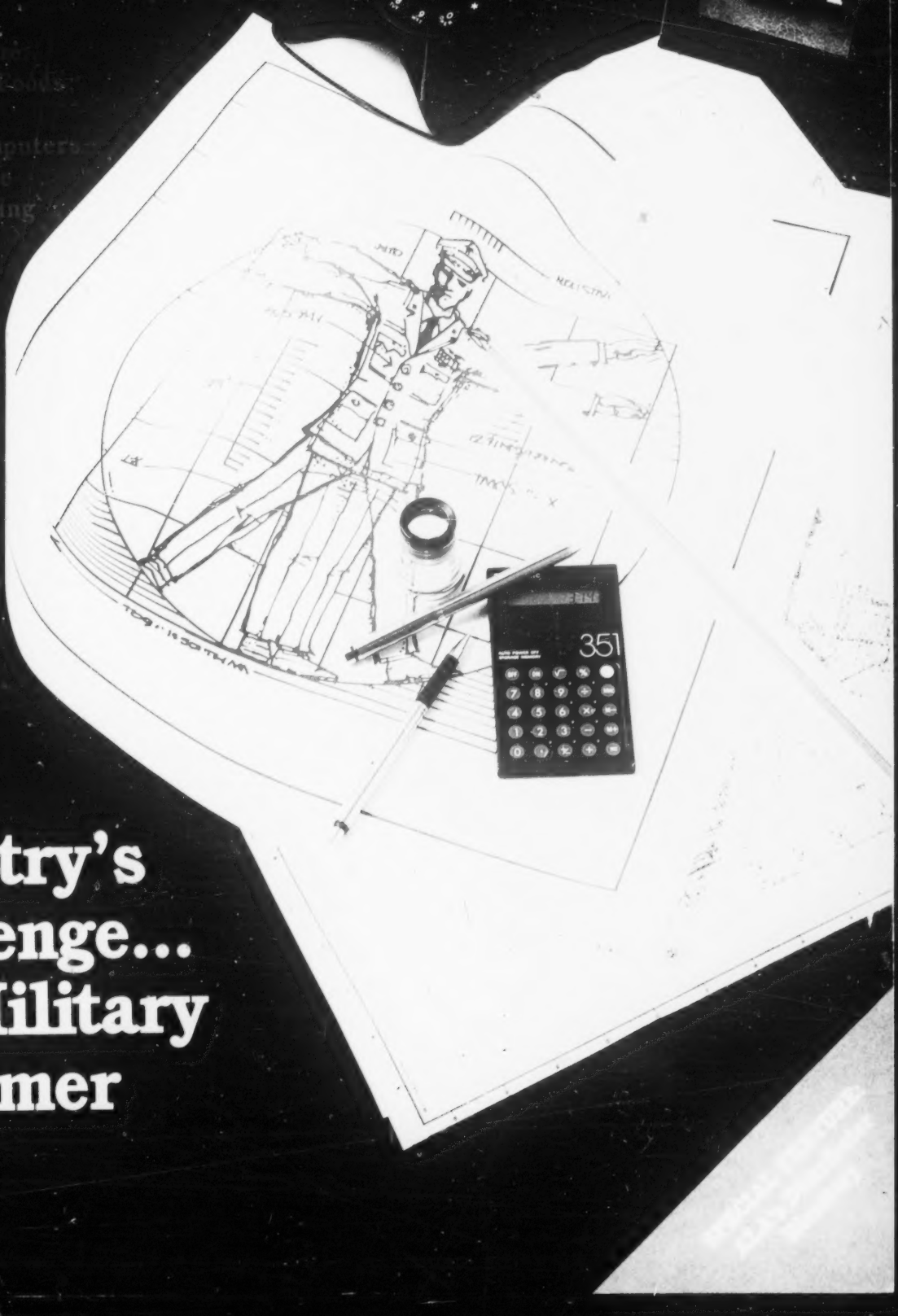

Industry's Challenge... The Military Customer

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Industry's Challenge... The Military Customer

BY JIM OSTROFF

Who are your customers?

Why, of course, they are the 3.6 million men and women in the armed forces, and retirees, who last year spent $11 billion in commissaries and exchanges. But what does this tell you? Will they buy more beef than last year, or more health and beauty aids? Will they buy more, or less cereal?

For answers, manufacturers traditionally turned to the pseudo-science of demographics to determine consumption trends, and target their products accordingly. Take a new brand of cereal, or even a power tool. For decades advertising agencies and their clients targeted say, all married men age 25 to 45, with two children and $25,000 annual incomes for media blitzs trumpeting these goods.

Such broadbrush approaches, the backbone of Madison Avenue tactics since the 1920s, have gone the way of "Wildroot Cream Oil, Cholly" ad jingles, as well-defined population groups have fractionalized into a plethora of discrete lifestyles. Like it or not, since at least the early 1970s, ad mongers have had to talk to many diverse groups in different tongues, and it's as true for GI Joe—and Jane—as for Americans in any town or hamlet.

So it is imperative to ask yourself again: Who are your customers in that same 25 to 45 age group?

Today, "this person could, in fact, be one of many different people," asserts John H. Mather, a senior vice president and director of marketing and research with Ketchum Advertising, Pittsburgh. "He could be a doctor, a construction worker, or a lab technician. He could be a baseball

Jim Ostroff is a White House correspondent for Fairchild Publications, and also covers federal agencies.

player, or a small business owner, or a security guard. Each of these individuals meets our target audience criteria," Mather said, "but, each is likely to respond to our advertising in a very different way."

The "way" now can be measured—or perhaps, more realistically, hypothesized—by using the Values and Lifestyle Program. VALS, for short, this marketing tool marries consumer data with their predilection for material wants, to produce profiles of nine distinct consumer types; their approach to life based on inner psychological needs. (See box for complete details on VALS.)

Looked at from the VALS vantage, your commissary/PX customers may not only be in a different league from the civilian population as a whole, but playing another game entirely!

Just look at the VALS skew. The three categories accounting for the most people are Belongers, Emulators and Achievers. Their proportions in both military and civilian realms are statistically close, 76.4%, and 69%, respectively. Within these groups, though, VALS finds surprising dichotomies.

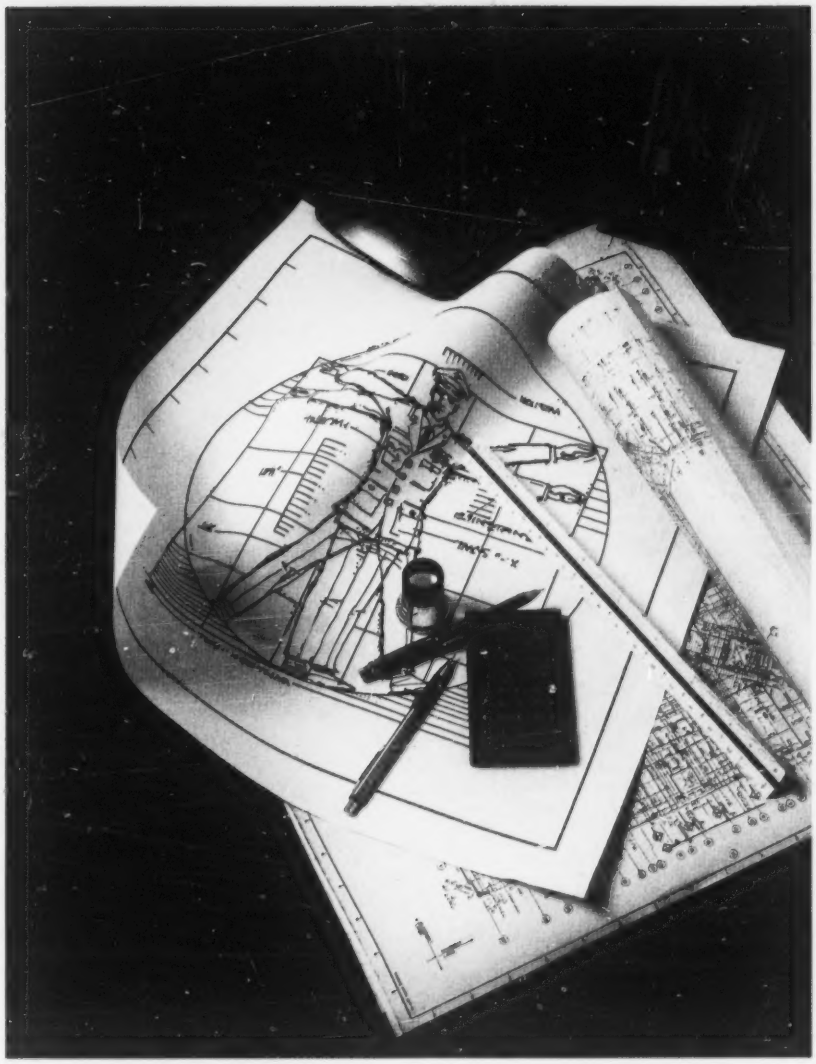
Take the Belongers, the bulwark of Americanism—conservative, patriotic, conforming, puritanical. Just the type expected to make up the backbone of the military. In fact, they comprise about 27.7% of the armed forces, versus almost 37% of civilians.

Meanwhile, military Emulators, the ambitious, competitive, status conscious, who have yet to make it "big," are only slightly more prevalent than their civilian counterparts, 14% to 10%, according to VALS.

But the biggest disparity occurs among Achievers, the leaders, the most self-reliant, hardworking and materialistic—in short, those most likely to buy high-profit items. A sales Plan-O-Gram tied to civilian markets for upscale foods and merchandise is literally missing the boat. Within the military, these conspicuous consumers account for nearly 35% of the force, versus 27% of the civilian population.

So much for which basket to place your eggs. But what type of products will enlisted personnel and officers buy? The VALS system postulates nine different types of consumers, each a different target for products; each of which responds differently to marketing strategies.

First off, there are two groups with no measurable military representation: the



VALS: The Military Difference

VALS Type	Military (%)	Civilian (%)
Survivors	0.00	3.99
Sustainers	7.72	7.00
Belongers	27.67	36.97
Emulators	14.13	10.01
Achievers	34.56	22.06
I-Am-Mes	0.59	3.00
Experientials	3.21	5.01
Societally Conscious	12.23	11.97
Integrateds	0.00	0.00

SRI says there are virtually no Integrateds in the U.S. Armed Forces and about 2% in the civilian population. For this survey SRI "put" 1% of the Integrateds in each the Achiever and Societally Conscious groups. The overall percentage exceed 100% due to rounding.

The VALS Typology

The Values and Lifestyles Program, or VALS for short, provides a framework that can help product manufacturers and retailers understand why people act as they do as social beings and as consumers. Focusing on attitudinal patterns, it weaves together information relating to leisure-time activities and consumption patterns, to produce profiles of consumers' media habits and purchase proclivities.

Developed by SRI International, Menlo Park, Calif., VALS classifies American adults, 18 years and older, into nine distinctive lifestyle groups. People in each group, in essence, are very different types of consumers than those in the next clique.

So, what are the methods used to produce this model? Working with Mediamark Research, Inc., a New York City research firm, SRI this year reviewed surveys of more than 25,000 Americans in both the military and civilian populations. Individuals were asked to complete a lengthy mail survey containing 33 demographic and attitudinal questions.

It should be understood from the start that these lifestyle categories are not fixed and immutable. Many people grow from one level to another as children, as adolescents, and as adults. Some very few may start at the bottom and reach the top within a lifetime, but far more common is movement of a level or two.

This overview is taken from "Styles in the American Bullring" published in *Across the Board*, March 1983. The following is a detailed description of people within the nine VALS groups:

The Need-Drivens

The Need-Drivens are people so limited in resources (especially financial resources) that their lives are driven more by need than by choice. Values of the Need-Driven center around survival, safety, and security. Such people tend to be distrustful, dependent, unplanning. We divide the Need-Driven category into two lifestyles: Survivor and Sustainer.

Survivors

Survivors are the most disadvantaged in American society by reason of their extreme poverty, low education, old age, and limited access to upward mobility. Many, now infirm, once lived lifestyles associated with higher levels of the VALS hierarchy. Others are ensnared in the so-called "culture of poverty."

Sustainers

Sustainers are a group struggling at the edge of poverty. They are better off and younger than Survivors, and many have not given up hope. Their values have advanced from depression and hopelessness to expression of anger at the system, and they have developed a street-wise determination to get ahead.

The Outer-Directeds

The Outer-Directeds conduct their lives in response to signals—real or fancied—from others. Consumption, activities, attitudes—all are guided by what the outer-directed individual thinks others will think. Psychologically, outer-direction is a major step forward from being Need-Driven. Life has broadened to include other people and a host of institutions. In general, the Outer-Directeds are the happiest of Americans, being well attuned to the cultural mainstream—indeed, creating much of it.

The VALS typology defines three principal types of outer-directed people: Belongers, Emulators, and Achievers.

Belongers

Belongers constitute the large, solid, comfortable, middle-class group of Americans who are the main stabilizers of society and the preservers and defenders of the moral status quo. Belongers tend to be conservative, conventional, nostalgic, sentimental, puritanical, conforming. The key drive is to fit in—to belong—and not to stand out. Their world is well posted and well lit, and the road is straight and narrow. Family, church, and tradition loom large. Belongers are people who know what is "right," and they adhere to the rules.

Emulators

Emulators are trying to burst into the upper levels of the system—to make it big. The object of their emulation is the Achiever lifestyle. In truth, many are not on the track to make them Achievers, but appear not to realize this. They are ambitious, upwardly mobile, status conscious, macho, competitive. Many see themselves as coming from the other side of the tracks and hence are intensely distrustful and have little faith that "the system" will give them a fair shake.

Psychologically, Emulators are a step ahead of Belongers. They have assumed greater personal responsiblity for getting ahead instead of drifting with events in the style of many Belongers.

Achievers

Achievers include many leaders in business, the professions, and government. Competent, self-reliant, efficient, Achievers tend to be materialistic, hard working, oriented to fame and success, and comfort loving. These are the affluent people who have created the economic system in response to the American dream. As such, they are the defenders of the economic status quo. Achievers are among the best adjusted of Americans, being well satisfied with their place in the system.

The Inner-Directeds

People called the Inner-Directeds contrast with the Outer-Directeds in that they conduct their lives primarily in accord with inner values—the needs and desires private to the individual—rather than in accord with values oriented to externals. Concern with inner growth thus is a cardinal characteristic.

It is important to recognize that, in American society today, one can hardly be profoundly Inner-Directed without having internalized Outer-Directedness through extensive and deep exposure as a child, adolescent, or adult. One implication is that inner-directed people tend not to come from need-driven or inner-directed families. Some measure of satiation with the pleasures of external things seems to be required before a person can believe in or enjoy the less visible, incorporeal pleasures of Inner-Direction.

VALS has identified three stages of Inner-Directedness: I-Am-Me, Experiential, and Societally Conscious.

I-Am-Mes

I-Am-Me is a short-lived stage of transi-

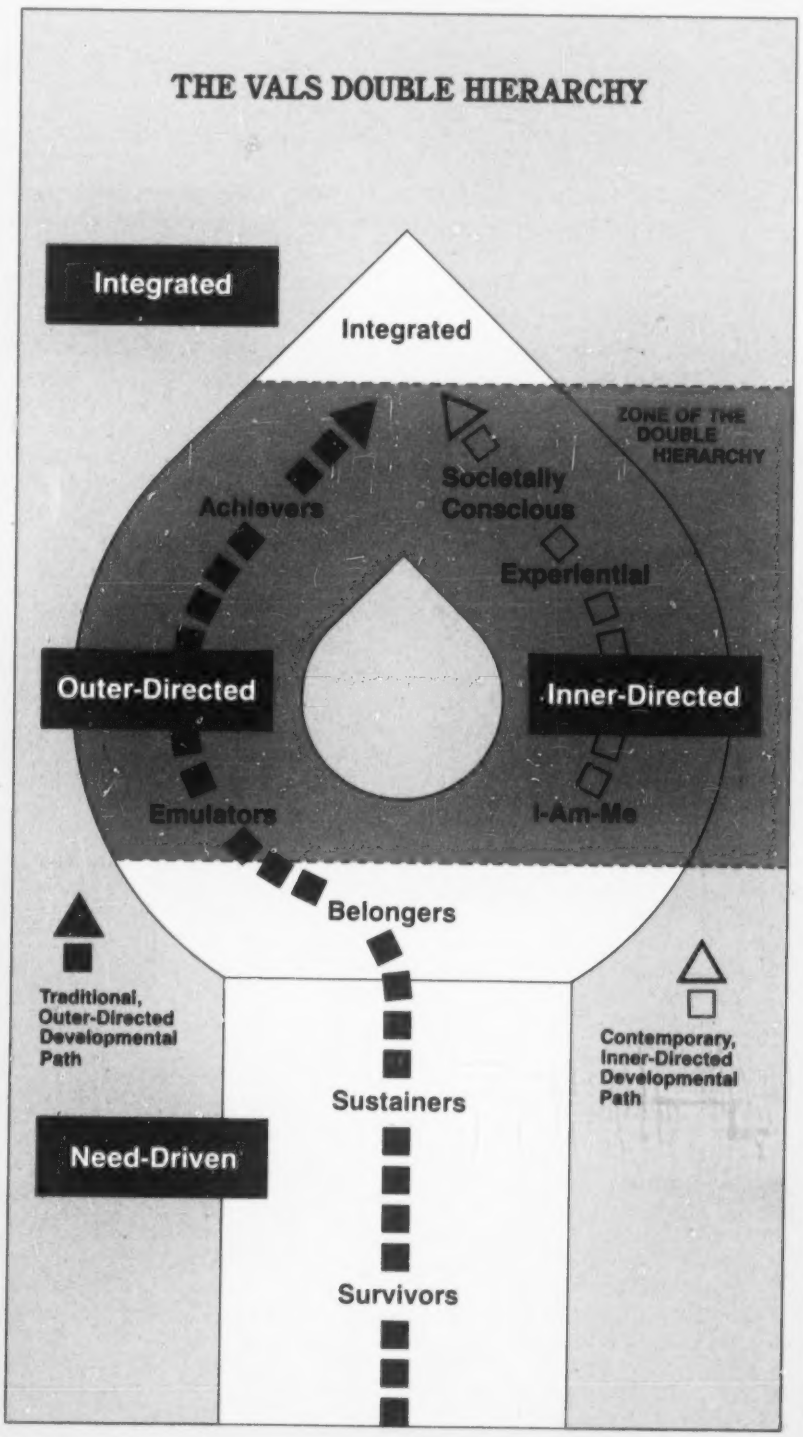
tion from Outer- to Inner-Direction. Values from both stages are much in evidence. Typically, the I-Am-Me person is young and fiercely individualistic to the point of being narcissistic and exhibitionistic. People at this stage are full of confusions and emotions they do not understand; hence, they often define themselves better by their actions than by their statements.

Experientials
As the I-Am-Mes mature psychologically, they become the Experientials. At this stage of Inner-Direction, the focus has widened from the intense egocentrism of the I-Am-Me to include other people and many social and human issues. Experientials are people who most want direct experience and vigorous involvement. Life is a light show at one moment and an intense, often mystic, inner experience the next. The most inner-directed of any VALS group, these people also are probably the most artistic and the most passionately involved with others.

Societally Conscious
The Societally Conscious have extended their Inner-Direction beyond the self and others to the society as a whole—in fact, sometimes to the globe or even, philosophically, to the cosmos. A profound sense of societal responsibility leads these people to support such causes as conservation, environmentalism, and consumerism. They tend to be activistic, impassioned, and knowledgeable about the world around them. Many are attracted to simple living and the natural; some have taken up lives of voluntary simplicity.

Combined Outer- and Inner-Directed: The Integrateds

At the pinnacle of the VALS typology is a small group are called the Integrateds. These rare people have put it all together. They meld the power of Outer-Direction with the sensitivity of Inner-Direction. They are fully mature in a psychological sense—able to see many sides of an issue, able to lead if necessary, and willing to take a secondary role if that is appropriate. They usually possess a deep sense of the fittingness of things.



Measuring the Competition: Military Exchanges Versus Department-Variety Stores

1985 Sales Leaders
(Sales in Billions)

1. Sears	$24.4
2. K-mart	$22.4
3. J.C. Penney	$13.8
4. Dayton-Hudson	$8.8
5. Wal-Mart	$8.4
6. Federated Department Stores	$8.2
7. Worldwide Military Exchanges	$6.4
8. Woolworth	$6.0
9. Montgomery Ward	$5.4
10. May Department Stores	$5.1

(Source: Exchange systems' headquarters and Chain Store Age.)

Measuring the Competition: Commissaries Versus Supermarkets

1985 Sales Leaders
(Sales in Millions)

1. Safeway	$19,650.5
2. Kroger	$17,123.5
3. American Stores	$13,889.5
4. Lucky Stores	$9,382.3
5. Winn-Dixie	$7,774.5
6. A&P	$6,615.4
7. Supermarkets General	$5,122.6
8. Albertson's	$5,060.3
9. Military Commissaries (Worldwide)	$4,597.0
10. Stop & Shop	$3,689.1

(Source: Resale systems' headquarters and Supermarket News.)

Survivors and the Integrates, accounting for about 4% and 2%, respectively, of the civilian population. This is no surprise, as the former group is comprised of those perennially in poverty with no hope for the future, while the latter, while generally well off, usually march to the beat of different drummer—themselves.

In between these groups, the first major VALS type we find are Sustainers, which comprise nearly 8% of the armed forces, compared with 7% of civilians, according to a special VALS analysis done for *Interservice* by Stephen J. Mills, a researcher with SRI International, Menlo Park, Calif.

"Sustainers," according to Ketchum's Mather, are typically young. They are often high school dropouts who have trouble finding any type of (civilian) employment. "Food, aside from providing bulk, takes on a new dimension," he added. "Snacking is a way to fill empty stomachs and (their) diet is high in many 'empty calorie' foods. Sustainers voice few nutritional concerns."

The Sustainers' kitchens are simply functional, as they favor convenience foods needing minimum preparation, using few appliances. As commissary shoppers, Mather said Sustainers, "tend to be impulsive but cautious. They are often afraid of being taken advantage of and, as a result, guarantees and brand names" are vital.

Generally, they favor high-fat dairy products and refined starches and drink less sugar-free sodas and decaffeinated coffee than a few years ago. They are partial to economy packs of frozen fried chicken parts and poultry sauce.

Moreover, Sustainers "use money to buy showy things, but maybe not for the home," said SRI's Mills. "They're the ones who will buy sports cars and are not food connoisseurs."

Similarly, when shopping in the PX, "Their attention is centered on obtaining the lowest price available and not necessarily the best value for their money," Mather said.

Next, there are the Belongers, which, with a nearly 28% VALS representation, comprise the second largest military lifestyle group. Coming generally from middle income, established communities, with conservative values, they shop for national brands, plan their meals and collect coupons and trading stamps.

"For Belongers," Mather observed, "food is a symbol of love (and) meal time is a shared time," invariably topped off with special desserts. On the whole, they don't fret about being a little overweight. They bake from scratch, have well-equipped kitchens, and make up the largest consumer buying group of fresh and frozen chicken.

People in this group find a special economic attraction for military service, Mather argues, since, "in civilian life their budgets are usually strained and...one benefit of the military is that it secures goods and services for them" at a discount. By sheer numbers, he adds, they comprise the largest do-it-yourself market and are the most likely to buy the most tools and yard equipment.

Emulators make up a smaller contingent of the military at about 14%, although this is still higher than the 10% of the general population which fall into this lifestyle category. Young adults with good incomes and high school degrees, these people, contrary to national trends, are buying more red meat and less poultry; more refined starches and less whole grains cereals and breads; more regular condiments and more canned goods.

Not much concerned with nutrition, Emulators are big snackers partial to convenience and fast foods. They are wont to have just basic kitchen appliances. "While their kitchens might be somewhat bare," Mather said, "Emulators have some of the best bars in town," owing to their proclivities for entertaining. They are attracted to "creative packaging," he added, and will "buy what the 'best' people buy."

As disinterested do-it-yourselfers, these people generally shy away from buying tools, while women Emulators are the most likely to own electric curling irons.

Achievers, by far, comprise the biggest VALS military contingent as well would be expected. For Achievers, highly self-assured, hard-working and comfort-loving, are the leaders in business, government, the professions—the core of the military officer corps.

The most affluent and well-educated of any VALS groups, these individuals typically are white males from suburban neighborhoods, according to Mather. For them "food becomes a symbol for elegance and success," and they spend more on it than any other group, he said, adding, "they are self-indulgent—demanding the best and buying the best."

A typical Achiever's refrigerator is

stocked with the best cuts of meat, along with seafood and other premium-priced foods. They are little concerned about their foods' nutritional quality, or its sugar, salt, saccharin or caffeine content.

Status seekers for whom price is of little object, Achievers crave brand name products and gourmet foods, especially. Their kitchens may be crammed with the latest appliances. Typically, they are big meat eaters, but prefer de-boned and skinned chicken and chicken spreads.

Commensurate with their lifestyles, "reaction among Achievers to rising food prices is very interesting," Mather said. "In times of rising prices, we often observe Achievers indulging *more*. Raise the price, and you're likely to raise Achievers' interests."

Similarly, they are the biggest buyers of home care and repair products. "Their homes and garages," Mather added, "are virtual warehouses for the best hardware products on the market."

By contrast, there is scant military representation by the 1-Am-Mes – just 0.59% – as would be expected. People in this VALS group are generally students, with affluent parents, making the transition to life on their own. "Junk food" is their staple diet and they switch brands frequently. Often, they are attracted to eye-catching displays, "which communicate, 'this product is me,'" Mather observed.

The Experiential group makes up a second small minority of military members, just over 3%. Attracted to the exotic and unusual, and with relatively high household incomes, they seek direct involvement with every aspect of their lifestyles. For example, they are committed to healthy eating and consequently will buy lean meat, fish and poultry, instead of beef and pork. They are heavy consumers of fresh produce and grains, wont to experiment with recipes, and partial to ethnic cooking.

Understandably, Mather noted wryly, "while a number of the VALS groups like yogurt,...Experientials are especially partial to the sundae style of yogurt. They enjoy stirring in the fruit!"

At the PX, they are the most likely to buy outdoor grills, steam cookers and stationary bicycles, as well as pasta makers, juicers and microwave ovens.

Finally, among the VALS hierarchy, is the Societally Conscious group, which comprises just over 12% of the armed forces, slightly more than in the civilian population. Imbued with a strong sense of societal responsibility, people in this group tend to be activists. The Societally Conscious "focus on both the healthful quality of their food as well as food safety. Dieting is not a stopgap action," Mather observed, "but rather a lifetime plan."

"Overall," he added, "the Societally Conscious are very difficult customers to please. They do not hesitate to return merchandise if it does not meet their high standards. They are the least brand-conscious of any group...and scrutinize labels and redeem coupons." Generally, they are eating less regular cheese, butter, whole milk, and are cutting back on processed starches, including white bread, regular and pre-sweetened cereals and cookies. Similarly, these people buy less ketchup, mayonnaise, and regular salad dressing than in the past, but eat more poultry products than ever.

Inveterate do-it-yourselfers, the Socie-

Significant Trends: Commissaries

(Sales in $ Millions)

	FY 1984*	FY 1985*	% Change FY 1986*	FY 1986**
Army				
CONUS Meat	$222.80	$169.60	– 23.9%	$85.5
Overseas	$40 50	$37.90	– 6.4%	$27.4
CONUS Produce	$51.95	$51.22	– 1.4%	$24.7
Overseas	$17.95	$15.78	– 12.1%	$8.7
Air Force				
CONUS Meat	$296.6	$288.7	– 2.7%	$237.7
Overseas	$49.4	$42.2	– 14.6%	$37.4
CONUS Produce	$83.1	$84.3	+ 1.4%	$74.7
Overseas	$17.9	$16.4	– 8.4%	$16.3
Marine Corps Commissaries				
CONUS Meat	$27.80	$28.20	+ 1.4%	$23.7
Overseas	$0.36	$0.35	– 2.8%	$0.3
CONUS Produce	$8.70	$9.30	+ 6.9%	$8.1
Overseas	$0.08	$0.09	+ 12.5%	$0.1
Navy Commissaries				
CONUS Meat	$131.7	$129.6	– 1.7%	$105.9
Overseas	$11.4	$11.8	+ 13.5%	$10.1
CONUS Produce	$44.7	$45.5	+ 1.8%	$39.5
Overseas	$4.3	$4.5	+ 4.7%	$4.1

* FY Begins October 1 ** First Half of FY, October–July

tally Conscious are very significant consumers of all types of tools, house decorating supplies and furniture, as well as hobby paraphernalia. In addition, they rank high in ownership of products such as hair dryers, shavers, electric curlers and food processors. And while this group attaches the least importance to brand names, they appreciate printed information, especially how-to instructions, on their products.

Whatever the military customers' VALS type, there are certain commonalities in their shopping experiences, especially in commissaries. For one, these stores are not quite supermarkets, carrying only selected product sizes, and often without specialty gourmet departments now common in civilian retail food operations. "For example, we make about 50 health and beauty aid products, but sell three or four lines to commissaries," said Martin Murphy, military sales manager with Noxell Corp., Hunt Valley, Md.

Not surprisingly, military personnel "rely most on national brands, even over regional brands," said F. William Kastor, General Mills' Minneapolis-based military marketing manager. "And since they tend to have larger families we find we do a lot better selling pre-sweetened cereals (to commissary patrons) than the rest of the population."

But where the "modern supermarket concentrates on non-food items, because that's where the profit is," Murphy added, "commissaries rely on food. There's no profit motivation in commissaries so non-foods become less of an entity."

Significantly, larger-size products "tend to do better in the commissary than for (civilian) shoppers," said George Andrews, military sales manager with Coca-Cola Foods, Houston. The basis for this trend goes right to the heart of the commissary shopping system and gives an insight into why perhaps more military personnel prefer *not* to shop there.

"Bigger sizes sell better," Andrews said, "because the military person's shopping pattern is considerably different than that of a housewife going to a supermarket. Commissaries are open fewer hours and it's more crowded and so takes longer. It becomes a planned trip; there is a tendency to 'fill in' off the base for milk or bread at a convenience store," he added, "or a supermarket, rather than going through the commissary hassle."

It's this "ordeal factor" that has led some commissary managers "to wonder how they can get some of their customers back," said Lars Peterson, senior government relations representative with the Food Marketing Institute, a trade association representing independent and chain supermarket companies. "Not only is it much easier shopping at civilian supermarkets," Peterson said, "but their overall selection is better."

Perhaps the biggest measure to ease the checkout bottleneck is the installation of computerized checkout scanners. Today, 30% of the commissaries have these systems, which not only speeds checkouts, but helps managers quickly determine shoppers' predilections. All stores are slated to go on scanning by fiscal 1988. Nationwide, 33% of all independent supermarkets, and 45% of the chains, have this system.

While social demographics relate to the military consumer in the same manner as in the American population as a whole, there are also influences of a military lifestyle that impact shopping habits, asserted Lt. Col. Jungus Jordan, commissary spokesman of the office of the Secretary of Defense. For example, where the military resides in relation to the commissary will determine the frequency of visits and other shopping habits.

"There is a category of military who lives off-base in a large metropolitan area, but because of their income, they may be forced to live in certain areas of town where the military (commissary) is not as convenient" as a supermarket, Jordan said. "So they will use the commissary as a discount buying service, making a trip there maybe once a month to stock up."

Air Force Commissaries

(Sales in $ Millions)

	FY 1985*	FY 1986*	% Change '85–'86
Pacific			
Grocery	$103.9	$109.1	+5.0%
Meat	$19.1	$18.9	−1.5%
Produce	$7.3	$8.5	+16.3%
Europe			
Grocery	$107.0	$120.2	+12.3%
Meat	$15.6	$18.6	+19.3%
Produce	$6.2	$7.8	+25.8%
CONUS			
Grocery	$1,148.0	$1,168.0	+1.8%
Meat	$241.9	$237.7	−1.7%
Produce	$70.7	$74.7	+5.7%
Grand Total ($ Billions)			
Grocery	$1.36	$1.40	+2.9%
Meat	$0.27	$0.28	+3.7%
Produce	$0.08	$0.09	+12.5%

* FY Begins October 1

Similarly, the colonel noted that nearly 1.5 million military retirees will exercise their commissary privileges monthly, generally when their pension checks arrive. Not only is the privilege an inflation-proof benefit, but Jordan says, "it permits them to keep in contact with a way of life they enjoy."

For active military personnel, the commissary's value varies depending upon the soldier's lifestyle and income, according to a new survey conducted by the Defense Manpower Data Center.

For example, among unmarried enlistees, with no children, living in base or government housing, 45.4% with grades E-1 to E-6 and higher, report they don't use the commissary at all. Meanwhile, 33.4% of soldiers within the same pay scales, but living in economy housing, said the same thing.

Just over 32% of those unmarried enlistees, with children, and living on base or in government housing, report not using the commissary, while 25.8% of those living in economy housing said they don't shop at commissaries.

But the picture changes as these enlistees acquire family responsibilities. Among married enlistees in the E-1 to E-6 and higher pay grades, living in base or government housing, just 13.2% said they don't use the commissary. Nearly 22% said they use this privilege to do 1% to 50% of their food shopping, while nearly 23% reported they use this privilege to do 76% to 90% of their shopping.

The totals are somewhat similar for enlistees who live in economy housing, according to the Defense agency survey.

The commissary utilization patterns shift further among officers. For example, just 15% of those living in base or government housing, at pay grades W-1 to 05 or higher, and unmarried with no children, said they never shop at commissaries. This is about one-third of the no-use rate of enlistees in similar circumstances.

In fact, 28% of these same officers reported they do from 51% to 90% of their shopping at commissaries. About 37% of those officers in this same category, but living in economy housing, reported doing up to 50% of their shopping in commissaries, with almost 29% reporting they did between 51% and 90% of their shopping there.

There are just a handful of unmarried officers with children who detailed their shopping patterns, perhaps too few to draw any meaningful conclusions.

Again, shopping patterns change dramatically among officers who are married. Just over 30% of those with no children, living on base or in government housing, say they shop at commissaries 76% to 90% of the time, compared with 25.4% for those living in economy housing.

However, for base-government housing dwellers, about 72% say they do from 51% to 99% of their shopping at commissaries, compared with 66% in the same category who live in economy housing.

When enlisted personnel in pay grades E-1 and up, residing in base-government housing, were asked how much they saved by shopping at commissaries, about 14% of those unmarried, with no children, reported they saved from 1% to 10%, while 10% thought they saved from 11% to 20% buying food there instead of at a civilian super-

Army/Air Force Exchanges Retail Departments

(Sales in $ Millions)

FY Begins February

Department (Dept. Code)	CONUS FY 1984	CONUS FY 1985	FY '84–'85 % Change	Overseas FY 1984	Overseas FY 1985	FY '84–'85 % Change	Worldwide* % Change FY '84–'85
Cosmetics & Fragrances (34)	$59.9	$65.1	+8.7%	$18.9	$22.5	+19%	+11.1%
DPSC Merchandise (19)	$119.3	$107.2	−10.1%	$40.0	$33.6	−16%	−11.6%
Furniture & Rugs (86)	$21.8	$19.2	−11.9%	$27.8	$27.3	−1.8%	−6.5%
Giftware (82)	$25.5	$23.1	−9.4%	$20.0	$19.0	−5%	−6.8%
Kitchenware (81)	$32.4	$29.4	−9.3%	$14.5	$14.5	0%	−6.5%
Outdoor Living (89)	$57.6	$54.4	−5.6%	$8.7	$6.9	−20.7%	−7.5%
Precious & Semi-Precious Jewelry (56)	$24.5	$28.7	+17.4%	$18.5	$22.5	+21.6%	+19.1%
Sewing (79)	$18.5	$15.9	−14.1%	$12.1	$10.9	−9.9%	−11.9%
Sporting Goods & Camp. Supplies (91)	$40.3	$37.6	−6.7%	$15.5	$14.9	−3.9%	−5.8%

* Includes Mail Order

Navy Exchanges

(Sales in $ Millions)

FY Begins January 20

Department	CONUS FY 1984	CONUS FY 1985	FY '84-'85 % Change	Overseas FY 1984	Overseas FY 1985	FY '84-'85 % Change	Worldwide % Change FY '84-'85
Candy and Confections	$12.0	$12.6	+5.0%	$4.9	$5.4	+10.2%	+5.9%
Tobacco and Smoking Accessories	$98.9	$94.0	-5.0%	$13.4	$13.2	-1.6%	-4.5%
Sporting Goods	$11.9	$12.5	-4.3%	$7.7	$7.3	-5.3%	-5.0%
Cameras and Photo Equipment	$9.9	$9.7	-2.0%	$8.8	$7.8	-10.4%	-6.5%
Electrical Appliances	$20.1	$18.9	-5.8%	$15.9	$16.5	-3.4%	-4.7%
Hardware and Pet Supplies	$18.0	$16.7	-7.3%	$4.1	$4.2	+3.0%	-5.4%
Toiletries and Drugs	$35.0	$36.0	+2.8%	$10.6	$11.1	+4.7%	+3.2%
Jewelry	$17.7	$19.1	+8.1%	$11.0	$11.3	+2.7%	+6.0%
Fragrance and Cosmetics	$15.4	$17.0	+10.5%	$4.8	$5.2	+7.5%	+9.8%
Uniforms and Accessories	$34.5	$43.6	+26.5%	$5.6	$6.4	+14.3%	+24.8%
Family Shoes	$27.0	$17.4	-35.6%	$6.4	$5.3	-16.6%	-31.9%
Miscellaneous Retail Departments	$3.3	$2.9	-11.8%	$7.0	$3.0	-56.6%	-42.3%
Gasoline/ Fuel	$97.8	$101.5	+3.8%	$25.0	$24.5	-2.1%	+26%
Optical	$8.1	$7.7	-4.4%	$1.1	$1.2	+9.0%	-3.1%
Food Service	$84.1	$73.9	-12.2%	$34.6	$30.6	-11.6%	-12.0%
Retail Clothing (Navy Uniforms)	$18.6	$17.5	-5.6%	$3.5	$3.3	-6.6%	-5.8%
Laundry Dry Cleaning	$13.0	$13.5	+3.3%	$4.2	$4.5	+9.1%	+2.9%
Personalized Services	$29.7	$30.5	+2.7%	$21.3	$21.9	+2.9%	+2.8%
Navy Lodges	$7.6	$8.7	+13.7%	$1.9	$1.8	-2.7%	+10.4%

market. Among those living in economy quarters, nearly 19% said they saved from 1% to 10%, while 16% of the survey respondents said they saved from 11% to 20%.

Meanwhile, among married enlistees with children, living on base-government housing, almost 28% said they saved from 1% to 10%, and about 29% pegged their saving at 11% to 20%. Significantly, among this group, about 14% thought commissaries saved them 30% in food costs. The relative percentages for this same group of enlistees living in economy housing were similar.

The officer corps perceived the commissary savings as even greater than did enlisted personnel. Among officers in pay grades W1 to 05 and higher, living in base-government housing, about 28% thought their commissary savings were 1% to 10%, while about 22% pegged the savings at from 11% to 20%. The perceived percentage savings are just about reversed for officers in this same category living in economy housing.

It is among the married officers, with children, that the commissary privilege is perceived as being most valuable. Just over 29% of the officers living in base- government housing stated they saved from 1% to 10% by shopping at the commissary. A whopping 46% thought they saved from 11% to 20%, with an additional 14.4% of the officers saying their commissary savings were valued at from 21% to 30%. The relative, perceived savings percentages were about the same for the married officers living in economy housing. ■

Marine Corps–PX

(Sales in $ Millions)

	FY 1984*	FY 1985*	To July '86	% Change FY '84–'86
CONUS				
Merchandise	$250.2	$245.2	$115.3	–2.0%
Food	$32.7	$38.1	$22.4	+16.5%
Service Station	$41.3	$43.4	$19.6	+5.1%
Vending	$22.5	$22.4	$11.6	–0.4%
Personal Service	$24.0	$25.0	$12.8	+4.2%
Military Clothing	$12.0	$12.4	$6.1	+3.3%
Overseas				
Merchandise	$18.2	$19.3	$9.3	+6.0%
Food	$1.8	$1.7	$1.0	–5.6%
Service Station	$0.5	$0.5	$0.2	0.0%
Vending	$0.8	$0.9	$0.4	+12.5%
Personal Service	$3.8	$4.4	$2.0	+15.7%
Military Clothing	$0.2	$0.2	$0.0	0.1%
Worldwide				
Merchandise	$268.2	$264.5	$124.6	–1.4%
Food	$34.4	$39.8	$23.4	+15.7%
Service Station	$43.9	$43.9	$19.8	0.0%
Vending	$23.3	$23.3	$12.0	0.0%
Personal Service	$27.8	$29.4	$14.8	+5.8%
Military Clothing	$12.2	$12.7	$6.2	+4.1%

*FY Begins 4th Week in January

Selected Reserve Benefit

A controversial benefit has arisen for part-time active members of the Selected Reserve. It was stated in the DoD Authorization Bill 1987 (section 656) that members of the Selected Reserve will have the use of military commissaries for a number of days equal to the number of days a member is on active duty. Another aspect to this authorization incorporates not only the sole active member to have these commissary privileges, but any of the members' immediate family also will have the same privileges. Yet, if any member of the immediate family uses it the same day, then that is considered a two-day usage of the commissaries which would equal two days of active duty. Therefore each time a member of the immediate family uses the commissary it is equal to an active day of duty by the active member.

These rights shall be implemented either at the end of February 1987 or at the beginning of March 1987. The DoD still has administrative issues to iron out prior to the beginning of these benefits. ■